



Attorney Docket: 2827

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant)	James M. Sheppard JR.
Application No.)	09/747,529
Filed)	12/22/2000
Title)	JACQUARD WOVEN TEXTILE WITH GRAPHIC IMPRESSION AND A METHOD OF MAKING THE SAME
Examiner)	JOHNSON, Jenna-Leigh
Art Unit)	1794
Attorney Docket)	2827

November 5, 2008

Mail Stop: Appeal Brief—Patent
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

APPEAL BRIEF UNDER 37 CFR § 41.37

This is an appeal from the Non-Final Rejection of the Examiner dated August 5, 2008, rejecting Claims 21, 22, and 24-30 and 32-36, all claims currently pending in the case. A Notice of Appeal is filed concurrently with this Appeal Brief. The fee (\$250.00) for the Notice of Appeal was filed on January 29, 2008. The fee for an Appeal Brief was previously submitted on December 23, 2004 (\$250.00) and May 15, 2006 (\$250.00). These 3 fees total \$750.00. Appellant is now a large entity. The current fees for a large entity are \$540.00 for a Notice of Appeal and \$540.00 for the Appeal Brief. Appellant now owes \$1080.00 less \$750.00, or \$330.00. Attached is a form paying this via credit card.

Adjustment date: 11/07/2008 SLUANG1
05/17/2006 BABRAHA1 00000133 09747529
01 FC:2402 -250.00 OP

11/07/2008 SLUANG1 00000002 09747529
01 FC:1402 540.00 OP

Real Party In Interest

Inventor James M. Sheppard has assigned all his rights and interests in the current invention to Devant Ltd., a North Carolina Corporation. As such, Devant Ltd. is the real party in interest in this case.

Related Appeals and Interferences

This case has been before the board once before in Appeal No. 2004-1029. In a decision dated July 29, 2004, the Board reversed the Examiner's previous rejection of record. A copy of the Board's decision is included in the Related Proceedings Appendix.

Since this decision, the Examiner has reopened prosecution in 2004, resulting in an Appeal Brief filed in 2004; reopened prosecution in 2005, resulting in an Appeal Brief in 2005; reopened prosecution in 2006, resulting in an Appeal Brief dated 2006; reopened prosecution in 2007, resulting in an Appeal Brief in early 2008; reopened prosecution on August 5, 2008, resulting in this Appeal Brief.

An appeal has been filed for related Application Serial No. 09/837,094, entitled JACQUARD OR DOBBY WOVEN TEXTILE WITH GRAPHIC IMPRESSION AND A METHOD OF MAKING THE SAME, having a filing date of April 18, 2001. The claims and issues in this related case are similar to those under appeal. An Appeal Brief is to be filed in this related case either concurrently with or shortly after this Appeal Brief.

An appeal has been filed for related Application No. 10/314,794, entitled A METHOD OF MAKING JACQUARD WOVEN TEXTILE WITH GRAPHIC IMPRESSION, having a filing date of February 19, 2003. An Appeal Brief was filed in this related application on December 21, 2007.

The Board is asked to consider the three appeals, as a group, as the subject matter and rejections of each are related.

Status of Claims

Canceled Claims - 1-20, 23 and 31

Pending claims—21, 22, 24-30 and 32-36

Allowed claims—none

Claims objected to—none

Claims rejected—21, 22, 24-30 and 32-36.

Claims appealed—21, 22, 24-27 and 32-36

Status of Amendments

No amendment was submitted after the Rejection of August 5, 2008.

Summary of Claimed Subject Matter

Claim 21

A towel having a graphic impression, comprising: weaving a towel on a jacquard loom using at least two different colors of yarn, such that a border having a first darker color is woven adjacent each edge of said towel, on one side thereof, and a border having a second lighter color is woven adjacent each edge of said towel on the other side,	Specification, page 6, line 4, page 7, line 25 Fig. 1 illustrates both sides of an exemplary towel.
said towel having a central area woven within said borders on both said one side and said other side, said central area is woven with said first darker color on said other side, said central area is woven with said second lighter color on said one side,	Specification, page 6, line 4, page 7, line 25 Fig. 1 illustrates both sides of an exemplary towel
and forming a graphic impression in said central area on said one side;	See the figures which illustrate a variety of exemplary graphic impressions
wherein said border on said one side is capable of masking said graphic impression that may overlap onto said border from said central area on said one side, eliminating the need for precise alignment of said graphic impression within said central area of said one side; and wherein said central area on said other side is capable of masking any potential bleed through of said graphic impression from said central area of said one side.	Specification, page 8, line 1- page 9, line 3 Fig. 3 illustrates this feature

Claim 29

A textile having a graphic impression; said textile having edges about its periphery; said textile having first and second sides; each side having a border adjacent said edges and surrounding a central area.	Specification, page 6, line 4, page 7, line 25 Fig. 1 illustrates both sides of an exemplary towel.
said graphic impression being only positioned within said central area on said first side;	See, e.g., Figs. 1 and 2
said border on said first side and said central area on said second side having a first darker color; and said central area on said first side and said border on said second side having a second lighter color;	Specification, page 6, line 4, page 7, line 25 Fig. 1 illustrates both sides of an exemplary towel.
wherein said border on said first side is capable of masking said graphic impression	Specification, page 8, line 1- page 9, line 3

that may overlap onto said border from said central area on said one side, eliminating the need for precise alignment of said graphic impression within said central on said first side; and wherein said central area on said second side is capable of masking any potential bleed through of said graphic impression from said central area of said first side.

Fig. 3 illustrates this feature

Grounds of Rejection to be Reviewed on Appeal

- Claims 21, 22, 24-27, 29, 30, 32-34 and 36 are rejected under 35 U.S.C. § 103(a) as unpatentable over Terrasse (U.S. Pat. No. 2,163,769) in view of Stark (U.S. Patent 3,669,818).
- Claims 28 and 35 are rejected under 35 U.S.C. § 103(a) as unpatentable over Terrasse and Stark, further in view of Sherrill et al (U.S. Patent 3,721,273).

Argument

Terrasse was discovered by the Examiner in related Application No. 10/314,794 and was the reason why prosecution was reopened in that case. In reopening prosecution, that Examiner withdrew the previously pending rejections in favor of rejections based upon Terrasse. Here, the present Examiner also reopened prosecution upon learning of Terrasse (from Appellant).

Rejection of claims 21, 22, 24-27, 29, 30, 32-34 and 36 under 35 U.S.C. § 103(a) as unpatentable over Terrasse and Stark

a) Separate argument for claim 21

1. Legal standard

A claim is obvious only when the subject matter of the claim as a whole would have been obvious to a person having ordinary skill in the art. 35 U.S.C. § 103(a). As set forth in *KSR Int'l Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 1741, 82 USPQ2d 1385, 1396 (2007).

[A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art. Although common sense directs one to look with care at a patent application that claims as innovation the combination of two known devices according to their established functions, it can be important to identify a reason that would have prompted a person of ordinary skill in the relevant field to combine the elements in the way the claimed new invention does.

2. Claim construction

“[A]s an initial matter, the PTO applies to the verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary

usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in the applicant's specification." *In re Morris*, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997).

Here, in considering the scope of claim 21 it is important to understand the meaning of the functional language used in defining the claimed towel. Specifically claim 21 requires that the darker color border on the one side be capable of masking the graphic impression that may overlap onto that border from the lighter color central area on the one side. This functionality is important because it eliminates the need for precise alignment of the graphic impression within the light color central area of that side. Furthermore, the darker color central area on the other side is capable of masking any potential bleed through of the graphic impression from the light color central area of the one side. These functional requirements impose structure on the claimed towel.

3. Analysis

This rejection is set forth on pages 10-11 of the Examiner's Answer entered June 28, 2007 and maintained at page 2 of the Final Rejection of October 31, 2007, and in the reopened prosecution dated August 5, 2008. In reviewing this rejection, it should be understood that Terrasse describes what Appellant has admitted from the time this application was filed, i.e., Jacquard woven towels are known to have one side with a darker color border and a lighter color central area with the other side having the opposite appearance—a lighter color border and a darker color central area (Terrasse, Figs. 1 and 2; present specification, paragraph bridging pages 3-4).

The issue to be resolved is: would it have been obvious to modify such a towel by forming a graphic impression in the central area on the stated one side wherein the specific towel selected is constructed and the colors of the graphic impression are selected such that the darker color border on the one side is capable of masking the graphic impression that may overlap onto the border from the lighter color central area on the one side, eliminating the need for precise alignment of the graphic impression within the central area of the one side; and wherein the darker color central area on the second side is capable of masking any potential bleed through of the graphic impression from the lighter color central area of the one side. It is believed that this issue should be resolved in favor of Appellant.

i. *Prima facie* case

Again, Terrasse essentially describes what Appellant has admitted in the specification, i.e., towels that have the color pattern required by claim 21 were known. However, Terrasse does not teach or suggest that the towels of that reference should have a graphic impression on the light color central area or that the towel should be constructed such that, in combination with the graphic impression, the claimed functional requirements are achieved.

Stark describes a textile product, e.g., a towel, that has a surface pattern of varying heights. *Id.*, column 1, lines 24-38. Stark indicates that prior to that invention, it was known to superimpose a printed image on a patterned textile in register with the pattern. *Id.*, column 1, lines 40-47. The invention of Stark is to superimpose a printed pattern on the surface of the patterned textile that is out of register with the underlying pattern. *Id.*, column 1, lines 58-63. The out of register superimposed pattern

creates a “highly attractive visual appearance.” *Id.*, column 2, lines 39-55. In other words, Stark purposely prints the pattern out of register with the underlying woven pattern in order to create a visual appearance. This is in direct contrast to the requirements of claim 21 that the darker color border on the one side mask any out of register printed material thereby avoiding the creation of the visual appearance that is desired by Stark.

Here, at most, a person of ordinary skill in the art would have found it obvious to form a graphic impression on the towel of Terrasse according to the teachings of Stark. However, that would not result in the towel of claim 21. For example, why would it have been obvious to print the graphic on the lighter color central area of Terrasse instead of the darker color central portion of the other side? Assuming it would have been obvious to print a graphic on the lighter color central portion of the towel of Terrasse, why would it have been obvious to choose colors in the graphic impression and the towel such that any overlap of the graphic impression onto the border or any bleed through of the graphic impression from the lighter color central area would be masked? Stark does not provide evidence that those choices would have been obvious and, indeed, teaches away from the towel of claim 21 as any overlap of the graphic impression is not to be masked, but rather, is to create a visual impression.

First, Stark does not discuss the problem of potential bleed through of the printed graphic so Stark provides no guidance as to how to resolve that problem. Second, the prior art discussed in Stark printed a pattern on a textile that was in register with the pattern of the textile. In register printing means that care must be taken in the printing process to insure there is no overlap onto a

border portion of the textile. Stark does not provide any suggestion that registry concerns can be solved by matching the color of the graphic and the border portion of the textile so that any overlap is masked. The towel of claim 21 represents a substantial improvement over the prior art portion of Stark since registry problems are avoided in the present towel. Third, the inventive concept of Stark, intentionally printing the graphic out of register with the pattern of the textile, teaches away from the towel of claim 21. This is seen in that the intentional out of register printing which forms the invention of Stark provides a “highly attractive visual appearance.” *Id.*, col. 2, lines 51-55. This is the exact opposite of the functional requirements of claim 21 where the color of the graphic impression and the border area of the textile are chosen so that any out of register printing, i.e., overlap on to the border, is masked. These are structural differences in claim 21 that are neither taught nor suggested by Terrasse and Stark.

The Examiner states that it is well known in patent law that matters relating to ornamentation only which have no mechanical function, cannot be relied upon to patentably distinguish the claimed invention from the prior art. See, e.g., the paragraph bridging pages 13-14 of the Examiner's Answer. Further, the Examiner is of the opinion that the graphic impression of claim 21 is not functionally related to the substrate, citing *In re Gulack*, 703 F.2d 1381, 1385-86, 217 USPQ 401, 404 (Fed. Cir. 1983). However, such statements only demonstrate that the Examiner has not understood the structure that is behind these functional statements. As has been repeatedly stated, the darker color border surrounding the lighter color central area is capable of masking any printed pattern that might overlap onto the border from the central area. This eliminates the need for precise alignment of the graphic

impression. In similar fashion, the darker color central area on the reverse side of the towel is capable of masking any potential bleed through of the printed design on the lighter color central area of the one side. Clearly there is a functional relationship between the graphic impression and the towel as set forth in claim 21.

Another example of the Examiner's failure to understand the import of the functional language of claim 21 and the structure it imposes on the towel of claim 21 is seen in the passage set forth on pages 4-6 of the Final Rejection. Therein, the Examiner makes the following statements:

- “Claim 21 states that the graphic impression may overlap the border, not that it does”.--The Examiner is correct in reading claim 21 this way but misses the point. Because of the needed selection of colors in the graphic impression and border area of the claimed towel, any overlap of the graphic impression onto the border is masked. This allows for a fuller range of colors and patterns to be used in the graphic impression since once the graphic impression is chosen, a color scheme for the towel is chosen so that any overlap is masked. In this way, production of the towel is simplified since out of register (overlap) products are not of concern. What might be considered scrap in the prior art becomes a useful product. The same consideration applies to the structure of the claimed towel where the darker color central area on the other side masks any bleed through.
- “Capable of performing a function is not a positive limitation,” citing “*In re Hutchinson*, 69 USPQ 138.”-- Rather than invoke a *per se* rule, the MPEP instructs the

Examiner to consider such claim phraseology on a case by case basis. MPEP 2111.04 states:

Claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed, or by claim language that does not limit a claim to a particular structure. However, examples of claim language, although not exhaustive, that may raise a question as to the limiting effect of the language in a claim are:

- (A)“adapted to” or “adapted for” clauses;
- (B)“wherein” clauses; and
- (C)“whereby” clauses.

The determination of whether each of these clauses is a limitation in a claim depends on the specific facts of the case.

As explained above, the “capable of” language used in claim 21 imposes structure on the claim. The claim language is not “intended use” as asserted by the examiner but, rather imposes or imparts significant structural requirements on the claimed towel. Furthermore, in *Innova/Pure Water, Inc. v. Safari Water Filtration Sys. Inc.*, 381 F.3d 1111, 1117-20 (Fed. Cir. 2004), the court noted that the term “operatively connected” is a general descriptive term frequently used in patent drafting to reflect a functional relationship between claimed components, that is, the term “means the claimed components must be connected in a way to perform a designated function.” Thus, it is error on the part of the Examiner to not give weight to the functional requirements of claim 21.

- The Examiner argues that any lighter or darker colors inherently have the ability to mask some colors-- See, e.g., paragraph bridging pages 14-15 of the Examiner's Answer. This is a truism but again misses the point. Where does the applied prior art teach or suggest taking advantage of this property as in the claimed towel? Stark aptly illustrates the state of the prior art as well as the thinking of those of

ordinary skill in the art. One either prints in register with its attendant cost and limitations on color selection on the graphic impression and towel or deliberately prints out of register to create an aesthetically pleasing visual effect. Viewing the applied references together, as a whole, it is seen that the towel of claim 21 could be obtained, if at all, only through happenstance in the prior art. Happenstance is neither inherency nor obviousness.

It appears that the Examiner relies upon *KSR International Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 82 USPQ2d 1385 (2007) at page 3 of the Final Rejection. It is recognized that one of ordinary skill in the art is presumed to have skills apart from what the prior art references explicitly say. See *In re Sovish*, 769 F.2d 738, 743, 226 USPQ 771, 774 (Fed. Cir. 1985) and that person is also a person of ordinary creativity, not an automaton. *KSR*, 127 S.Ct. at 1742, 82 USPQ2d at 1397. But even these considerations do not help the Examiner's case. The level of skill in the art is demonstrated by Terrasse and Stark. The references show that the basic woven pattern was known and that printing a graphic on the surface of an already patterned textile was known, both in register and out of register. The "common sense" of the person of ordinary skill at the time of the present invention was to print in register and avoid any overlap, which limits the color choices to be used in the graphic, or to purposely print out of register to create a desired visual effect and not be concerned about the visual effect of overlap. None of the applied references are concerned about masking any potential bleed through. It is only through impermissible hindsight that one can say the combination of Terrasse and Stark renders the towel of claim 21 obvious.

For these reasons the rejection should be reversed.

ii. Evidence of nonobviousness

There are two affidavits filed under 37 CFR 1.132 by the inventor Rick Sheppard of record. The first was executed November 14, 2002 (Sheppard I) and the second was executed on March 31, 2003 (Sheppard II).

Sheppard I provides relevant background information on the state of the prior art at the time of the present invention on page 2. Mr. Sheppard confirms that jacquard woven towels were known as was the concept of printing a graphic image on a non-jacquard woven towel. Mr. Sheppard explains why the towel of claim 21 was counterintuitive in that it would not have been obvious to add further cost to a high cost towel by applying a graphic image. The prior art taught that graphic images were printed on low end towel, not high end jacquard woven towels as in claim 21. This constitutes a clear teaching away.

Sheppard I also establishes that the commercial embodiment of the towel of claim 21, sold under the trademark Edge®, has been a commercial success for the assignee. Sheppard I, page 2. The commercial success is illustrated in the data set forth in the table attached to Sheppard II. The data show that sales of the Edge towel increased dramatically from its introduction in 2000 through 2003 both in terms of percentage of pieces Devant sold and percentage of total revenue.

Sheppard II also provides evidence of copying of the Edge towels by competitors. Imitation is the sincerest form of flattery and shows that the effect the Edge towel had in the relevant

marketplace. Business people do not copy products that are unsuccessful. Note also that the two competitors ceased their efforts in regard to the copycat towels. The cessation of those activities provides additional evidence of the nonobviousness of the towel of claim 21.

The Examiner's consideration of this evidence is set forth on pages 16-17 of the prior Examiner's Answer dated June 28, 2007. Some of the comments are also set forth in the Reopened Office Action dated August 5, 2008. The specific comments of the Examiner are:

- “The declarations did not provide sufficient support to show commercial success because there was nothing to show that the reason for the increase of sales and the increased profit of these towels is due to the nature of the claimed product...and not due to other factors....”--It is not clear that Appellant has to establish why the dramatic increase in sales and revenue occurred, only that they did. The other factors identified by the Examiner are, at a minimum, speculation on the part of Examiner and are irrelevant to the issue.
- The exact structure of the towels discussed in the affidavits has not been defined so it is unclear if the evidence is commensurate in scope with the claims.--The Edge brand towels are described on pages 1-3 of Sheppard I, i.e., a jacquard woven towel with a graphic impression in the central area. It is clear from reading the affidavits as a whole that the towels discussed therein are within the scope of claim 21.

- Whether the success of the towels is from the claimed invention or through marketing efforts etc.--Mr. Sheppard states at page 3 of Sheppard I that the “towel has had virtually no advertising other than mere display at national trade shows.” Thus, with minimal marketing efforts, the Edge towel showed dramatic growth in its first few years on the market.
- Gross sales figure do not show commercial success absent evidence as to the market share.--It is not clear how the Examiner expects Appellant to provide such evidence. It is sufficient that the increased sales of the Edge products show that assignee’s market grew dramatically.
- Could the sales be a result of outside companies removing products from the market or going out of business?--Again, this is speculation on the part of the examiner and in any event not relevant. As explained in the affidavits the Edge towels were new products to the market and are high end products. Since competitors began to knock off the product within eight months of its introduction to the marketplace it is seen that regardless of whether competitors were going out of business or removing products from the market, the claimed towel was successful on its own merits.
- Are the sales a result of Applicant’s own plans to push this one product to the exclusion of their other products?--Since Mr. Sheppard states that the claimed towel had substantially no advertising, the success of the Edge towel

did not result from diverting advertising resources from other products.

- Is the amount of revenue generated by the claimed towel due to its mark-up price and not an indicator of the product's success?--Of course revenue is directly related to price. Again, as explained in the affidavits the Edge towel is a high end towel. Being a high end product, the success the product received upon its introduction into the market is more remarkable and provides substantial evidence of its commercial success.
- The affidavits describe the graphic impression is supplied by image dying while the claims are not so limited.--The Examiner is correct in this observation but it does not affect the weight the evidence should be afforded. The manner in which the graphic impression is applied is not important. What is important is that a graphic impression is applied to a jacquard woven towel in the manner required by claim 21 on appeal.
- The affidavits discuss the shearing aspect of this technology which is not in claim 21.--This is correct but again does not significantly detract from the weight the evidence should be afforded. This aspect of the present technology will be discussed in regard to claims 28 and 35 which are directed to this feature.
- Neither the overprinting nor the limitation that the border is a darker color than the center area which is printed is

recited in the independent claim.--This comment again indicates the Examiner's error in ignoring the structure of the towel that is explicitly set forth in claim 21 as well as implicitly required by the functional language. First claim 21 requires a dark border be adjacent the lighter color central area where the graphic impression resides. Second, it is explained above why the fact that the claim does not require overprinting is irrelevant.

- Appellant's evidence of copying by competitors and withdrawal of the copies by competitors is only evidence of the competitors' desire to avoid an infringement action if a patent is granted.--If one steps back and considers the competitors' actions as documented in the affidavits, it is seen that those actions support the nonobviousness of the claimed towel. The competitors were no doubt aware of the prior art status of jacquard woven towels and printed towel as was Appellant. Yet those competitors did not find it obvious to piece together those prior art teachings in the manner that Appellant did in creating the towel of claim 21. However, upon seeing a commercial embodiment of the towel of claim 21, those competitors immediately (within eight months) copied the towel of claim 21. These actions show that the towel of claim 21 is a commercial success as well as being nonobvious. As to the first point, why copy the towel if it is not a commercial success? Obviously the success of the claimed towel in the marketplace caught the attention of competitors and they knocked the towel off. As to the second point, being aware of the prior art status of jacquard woven towels and printed towels, why would the competitors be so willing to cede the marketplace to

Appellant if the combination of the prior art elements was obvious? The competitors' actions are powerful evidence as to the nonobviousness of the claimed towel.

- Copying by others may be attributable to other factors such as when a competitor has not expended great effort to develop its own solution.--The Examiner's comment has little relevance to the present facts. The undisputed facts show jacquard woven towels and printed towels were known in the prior art. It remained for Appellant to create the towel set forth in claim 21 with its stated structure and functions. There were no "great efforts" for the competitors to expend to arrive at a printed towel. The facts establish that the claimed towel was not obvious to those of ordinary skill in the art, i.e., the competitors.
- As to long felt need, it should be noted that sports/golf towels of the type encompassed by claim 21 is a crowded market.--That the claimed towel was immediately found its niche in that crowded market is evidence that there was a need for this product that had been unsatisfied.

4. Conclusion

As stated in *In re Hedges*, 783 F.2d 1038, 1039, 228 USPQ 685, 686 (Fed. Cir. 1986):

If a prima facie case is made in the first instance, and if the applicant comes forward with reasonable rebuttal, whether buttressed by experiment, prior art references, or argument, the entire merits of the matter are to be reweighed. *In re Piasecki*, 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984).

In so doing, the Examiner should not consider the rebuttal evidence for its knockdown value, but rather take a step back and assess the strength of the evidence of obviousness, (here Terrasse and Stark), and the evidence of nonobviousness, (here the Sheppard affidavits), and make a new determination. *Piasecki*, 745 F.2d at 1473, 223 USPQ at 788. When one weighs the respective evidence, it is seen that that preponderance of the evidence is in favor of a conclusion of nonobviousness.

b) Separate argument for claim 29

Claim 29 differs from claim 21, inter alia, in being directed to a textile broadly and stating the graphic impression is only positioned within the central area on the first side. Thus, the requirement that the border on the first side is capable of masking any overlap of the graphic impression takes on less importance than in claim 21. However, claim 29 requires that the central area on the second side is capable of masking any potential bleed through of the graphic impression. This functional statement imposes structure on the claimed textile renders the claim patentable for the reasons set forth above in regard to claim 21. None of the applied references are concerned with potential bleed through of the graphic impression. As stated in the first full paragraph of page 3 of Sheppard I, the claimed towel allows for “unlimited color and design freedom.” This is nowhere suggested by the applied prior art. For these reasons this rejection should be reversed.

c) No separate argument for dependent claims

Solely for the purpose of this appeal, the dependent claims subject to this rejection will not be separately argued.

Rejection of claims 28 and 35 under 35 U.S.C. § 103(a) as unpatentable over Terrasse in view of Stark, further in view of Sherrill (U.S. Pat. No. 3,721,273)

The basic combination of Terrasse and Stark is discussed above.

Sherrill describes a terry towel having one face cotton terry, and the opposite face rayon terry. As seen in the Figures of Sherrill, the first side (Fig. 1) has printed thereon a central design, and an outer region having additional printed designs thereon. The second side (Fig. 2) is entirely of cotton terry without any designs. The rayon terry loops are sheared. *Id.*, col. 2, line 60-col.3, line 2. The sheared rayon terry loops may have a pattern printed thereon where the colorant may be driven into the sheared rayon terry loops. *Id.*, col. 3, lines 46-60.

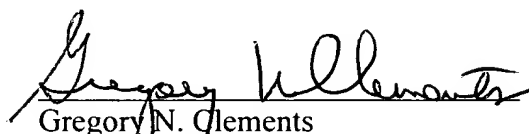
Viewing Terrasse, Stark, and Sherrill together, it is not seen that Sherrill makes up for the deficiencies in the basic combination of Terrasse and Stark. The arguments set forth above in regard to the rejection based upon Terrasse and Stark are equally applicable to this rejection. To avoid burdening the record by repeating those arguments, the Board is asked to consider those arguments including the reliance upon the Sheppard affidavits as evidence of nonobviousness as the rebuttal of this rejection.

Sherrill does describe a shearing step. See, e.g., col. 1, line 54-col. 2, line 3. See also col. 3, lines 61-col.4, line 9 that explains that after the rayon loops are sheared they are free to spread out or splay (bloom). Thus, the Examiner's concern in regard to considering the Sheppard affidavits in regard to the independent claims since the affidavits discuss the towels having been sheared is not relevant in considering claims 28 and 35 as these claims call for shearing. Note also that Sherrill describes blooming to be a natural consequence of shearing. Reversal of the rejection is requested.

Summary

The obviousness rejections should be reversed as the applied references do not teach or suggest the claimed subject matter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gregory N. Clements", written over a horizontal line.

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GNC/hl

CLAIMS APPENDIX

The claims on appeal appear as follows:

21. A towel having a graphic impression, comprising: weaving a towel on a jacquard loom using at least two different colors of yarn, such that a border having a first darker color is woven adjacent each edge of said towel, on one side thereof, and a border having a second lighter color is woven adjacent each edge of said towel on the other side, said towel having a central area woven within said borders on both said one side and said other side, said central area is woven with said first darker color on said other side, said central area is woven with said second lighter color on said one side, and forming a graphic impression in said central area on said one side; wherein said border on said one side is capable of masking said graphic impression that may overlap onto said border from said central area on said one side, eliminating the need for precise alignment of said graphic impression within said central area of said one side; and wherein said central area on said other side is capable of masking any potential bleed through of said graphic impression from said central area of said one side.
22. The product of claim 21, wherein said forming is by screen printing, image dyeing, digital imaging, or heat transferring.
24. The product of claim 21, wherein said graphic impression has at least two different colors, neither being said first nor said second color.

25. The product of claim 21, wherein said border shape is selected from the class of rectangular shape, circular shape, oval shape, square shape, and irregular shape.
26. The product of claim 25, wherein said border is solid or a pattern.
27. The product of claim 26, wherein said pattern is selected from the class consisting of stripes, dots, names, silhouettes of sport players, animal shapes, corporate logos, or university mascots.
28. The product of claim 21, wherein said towel is sheared and bloomed.
29. A textile having a graphic impression; said textile having edges about its periphery; said textile having first and second sides; each side having a border adjacent said edges and surrounding a central area; said graphic impression being only positioned within said central area on said first side; said border on said first side and said central area on said second side having a first darker color; and said central area on said first side and said border on said second side having a second lighter color; wherein said border on said first side is capable of masking said graphic impression that may overlap onto said border from said central area on said one side, eliminating the need for precise alignment of said graphic impression within said central on said first side; and wherein said central area on

said second side is capable of masking any potential bleed through of said graphic impression from said central area of said first side.

- 30. The textile of claim 29, wherein said textile is a towel.
- 32. The textile of claim 30, wherein said border shape is selected from the class of rectangular shape, circular shape, oval shape, square shape, and irregular shape.
- 33. The textile of claim 30, wherein said border is solid or a pattern.
- 34. The textile of claim 33, wherein said pattern is selected from the class consisting of stripes, dots, names, silhouettes of sport players, animal shapes, corporate logos, or university mascots.
- 35. The textile of claim 29, wherein said textile is sheared and bloomed.
- 36. The textile of claim 30, wherein said towels are selected from the class of a bath towel, beach towel, kitchen towel, or a sport towel.

EVIDENCE APPENDIX

Attached hereto are copies of the Appellant's Rule 132 Declaration dated November 14, 2002 (Sheppard I) and Supplemental Declaration dated March 31, 2003 (Sheppard II).

RELATED PROCEEDINGS APPENDIX

Attached hereto is a copy of the Board opinion dated July 29, 2004.

The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.

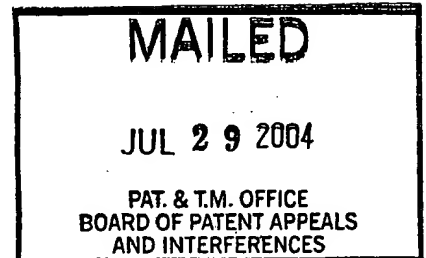
UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte JAMES M. SHEPPARD, JR.

Appeal No. 2004-1029
Application No. 09/747,529

HEARD: July 14, 2004



Before FRANKFORT, MCQUADE, and BAHR, Administrative Patent Judges.

FRANKFORT, Administrative Patent Judge.

DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection of claims 21 through 36, all of the claims remaining in this application. Claims 1 through 20 have been canceled.

As noted on page 1 of the specification, appellant's invention relates to both a textile article and a method of making the textile article, wherein the textile article is a two-sided Jacquard woven textile product (e.g., a towel) with a

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graphic impression on at least one side thereof. The method of making the article as described in the specification comprises the steps of a) providing a two-sided Jacquard woven textile wherein the front side of the textile or towel has, for example, a dark color border adjacent each edge and a light color area within the borders, while the reverse side has a light color border adjacent each edge and a dark color area within and surrounded by the borders, and b) subsequently transferring a graphic impression onto the towel, preferably in the light color central area of the front side, by screen printing, image dyeing, digital imaging, or heat transferring. Independent claims 21 and 29 are representative of the subject matter on appeal and a copy of those claims can be found, respectively, in the Appendix to the examiner's answer and the Appendix to appellant's brief.

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

Hobson	4,259,994	Apr. 7, 1981
Carpenter et al. (Carpenter)	5,983,952	Nov. 16, 1999

Claims 21 through 36 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Hobson in view of Carpenter.

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Rather than reiterate the conflicting viewpoints advanced by the examiner and appellant regarding the above-noted rejection, we refer to the examiner's answer (mailed August 27, 2003) and to appellant's brief (filed June 25, 2003) and reply brief (filed October 6, 2003) for a full exposition thereof.

OPINION

Having carefully reviewed the obviousness issue raised in this appeal in light of the record before us, we have come to the conclusion that the examiner's rejection of claims 21 through 36 under 35 U.S.C. § 103 will not be sustained. Our reasoning in support of this determination follows.

After a careful evaluation of the teachings and suggestions to be derived by one of ordinary skill in the art from the patterned terry fabric and its method of manufacture on a tappet or dobby mechanism as described in Hobson, and the Jacquard weaving system and method set forth in Carpenter for ensuring automatic alignment of a printed pattern with a woven pattern on a textile fabric as that fabric is being formed, it is our opinion that the examiner has failed to meet her burden of

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establishing a *prima facie* case of obviousness. More particularly, we are of the view that the examiner's reasoning in support of the obviousness rejection before us on appeal (as expressed on pages 3-7 of the answer) is based almost entirely on speculation and conjecture, and with regard to the basic structure and color scheme of the towel defined in appellant's claim 21 and the textile of claim 29 on appeal, relies entirely upon appellant's own disclosure and teachings to supply that which is lacking in the applied prior art references.

Basically, we share appellant's views as aptly expressed in the brief and reply brief concerning the examiner's attempted combination of the Hobson and Carpenter patents, the failure of either Hobson or Carpenter to disclose borders adjacent each edge of a towel or textile product and a central area within and surrounded by the borders, which central area on one side of the towel or textile product receives a graphic impression, and the failure of either of the applied patents to teach or suggest the particular color arrangement of the borders and central areas required in the claims on appeal. We are also in agreement with appellant concerning the examiner's bald conclusion that "it would have been obvious to one of ordinary skill in the art to

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choose various printed designs, as well as choose where to place the printed image on the Hobson product . . ." (answer, pages 3-4), so as to result in a towel or textile like that claimed by appellant. Since neither the applied references nor the examiner provides an adequate factual basis to establish that the towel of claim 21 on appeal or the textile product of appellant's claim 29 would have been obvious to one of ordinary skill in the art at the time of appellant's invention, it follows that we will not sustain the examiner's rejection of those claims under 35 U.S.C. § 103(a).

In addition, we note that the examiner's rejection of claims 22 through 28 and 30 through 36 under 35 U.S.C. § 103(a) based on the combination of Hobson and Carpenter, which claims respectively depend from independent claims 21 and 29, will likewise not be sustained.

Since we have determined that the examiner has failed to establish a prima facie case of obviousness with regard to the claimed subject matter before us on appeal, we find it unnecessary to comment on appellant's evidence of secondary


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considerations relating to commercial success, long felt need and copying by others.

The decision of the examiner to reject claims 21 through 36 under 35 U.S.C. § 103(a) is reversed.

REVERSED

CHARLES E. FRANKFORT
Administrative Patent Judge


JOHN P. MCQUADE
Administrative Patent Judge


JENNIFER D. BAHR
Administrative Patent Judge

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